

## **Tax Mistakes to Avoid: 9 Costly Money and Tax Mistakes to avoid:**

The Motley Fool mentioned an Enrolled Agent (EA) should be used for tax preparation. My professional association: National Association of Enrolled Agents (NAEA.org) provided me information on these nine (9) costly Tax Mistakes as listed below. Further, the Motley Fool article was republished by more than 20 additional media outlets reaching a combined potential audience of more than (Per NAEA) 25 million readers.

The list which follows is (to give credit where credit is due) from the Motley Fool article. You may now count yourself as adding to that number, and now number yourself among the financially 'informed'. Later posting will elaborate (by Daisy-your EA, on the 'real' tax use of this knowledge).

Be prepared, you will be surprised and may even change some thinking. NOTE: Read right now in this website: "See the Trucker and the Bug Man. There are other **'Letters from me to You'** for you to read in the website which you are enjoying reading right now.

### **Mistakes you can avoid:**

1. Failing to hire a professional is a big mistake-An Enrolled Agent is knowledgeable in the tax code and has been tested-in the tax code- in order to be an 'EA'.
2. Not keeping track of your spending or receipts.
3. Not taking advantage of retirement accounts. Daisy has some unique suggestions.
4. Ignoring your holding periods when investing.
5. Failing to offset gains with losses. (More on that in Wash Sales).
6. Not taking tax credits available to you.
7. Not using a Flexible Spending Account (FSA) or a Health Savings Account (HAS)...author's note: provided these are available to you at your job.
8. Not taking (if you are of an age where you should take) RMDs from your IRAs.
9. Increasing your odds of being audited. Soon to posted: Messy and thoughtless actions in a return which pretty much guarantee that you will be in the 'sights' on audit time.

● INCOME TAX ● ACCOUNTING ● CONSULTING ● LIFE INSURANCE ● FIXED ANNUITIES ●  
● Audit Assistance ● Fiduciary and Estate Services ●  
FINANCIAL SERVICES SINCE 1969  
Licensed by the State of Arizona Department of Insurance  
Certified, Chartered and Accredited Business Consultant  
Ordained Non-Denominational Minister

**Enrolled to Practice before the Internal Revenue Service**  
**Arizona now considers Enrolled Agents to be: 'Arizona's Tax Experts'**